

FYI

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PM. USA - (R&D)
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THE WALL STREET JOURNAL, Tuesday, June 19, 1984

Who's News

Philip Morris Inc. — Harry G. Steele was named vice president, finance and administration, for Philip Morris U.S.A., a New York-based operating company of this maker of tobacco products, soft drinks, packaging and paper products and beer. He was formerly controller of Philip Morris U.S.A.

NEWSDAY, MONDAY, JUNE 18, 1984

State Snuffs Tobacco Ads

New York **(AP)** — Accused of implying that its chewing tobacco is safe, the United States Tobacco Co. has agreed to change its advertising slogan and pay the state's legal costs, State Attorney General Robert Abrams said yesterday.

While admitting no wrongdoing, the Greenwich, Conn., company also agreed to remove its advertising posters from New York City subways and to pay Abrams' office \$25,000 in costs, Abrams said.

The company agreed to stop using the phrase, "Take a pouch instead of a puff," unless its ads in the state for Skoal Bandits also say "that smokeless tobacco is not necessarily a harmless substitute for smoking," Abrams said.

Without clarification, the slogan "implies that the product is a safe alternative to smoking when in fact it is not," he said.

Abrams said he would ask the Legislature to require health warnings on tobacco packages and advertisements in the state. He cited a National Cancer Institute report that the tobacco, which is placed in the mouth, may increase the risk of mouth, throat and esophagus cancers. The federal government has estimated that 22 million people use chewing tobacco.

Winston-Salem Journal,

Winston-Salem, N.C., Friday, June 15, 1984

25-Marlboro Pack To Get Market Test

By Marlene M. Burger
Staff Business Reporter

The nation's most popular cigarette — Marlboro — will be sold in limited test markets next month in packs of 25 instead of the usual 20.

Philip Morris USA, the company that makes Marlboros, said that it is offering the 25-count pack as a convenience to smokers. Studies show that many smokers consume an average of 25 cigarettes a day, a spokesman said.

The 25-count style dominates much of the world cigarette market — 80 percent of the market in Canada, 60 percent of the Australian market and more than 70 percent of the Belgium and Luxembourg markets.

The "average" smoker used to be defined as one who smoked about 20 cigarettes a day, but that may no longer be accurate. Demographic studies show that, although the number of smokers has declined in the United States, those who remain smokers are smoking more.

Beginning July 2, smokers in Spokane, Wash., and Indianapolis can buy Marlboro Red king-size in a 25-count soft pack. Marlboro Lights in the 25-count pack will be available only in Indianapolis, also in a soft pack.

With the test market introduction, Marlboro becomes the only well-known brand to be sold 25 to a pack. One out of every five cigarettes sold in the United States is a Marlboro.

Other, lesser-known cigarettes sold that way are made by R.J. Reynolds Tobacco Co. of Winston-Salem and Brown & Williamson Tobacco Co. of Louisville, Ky. Philip Morris has cigarette headquarters in Richmond, Va.

Reynolds' Century brand is sold at an average 15 percent discount against most other brands sold in 20-count packs. A Reynolds spokesman said that Century has close to a 1 percent share of the cigarette markets where it is sold. In the nation, Century cigarettes have a 0.75 percent share, Reynolds said.

Century cigarettes now are sold in 35 states. By the end of the year, they are expected to be available in 46 states. Century is locked out of four states because of the way those states tax cigarettes, Reynolds said.

Richland brand cigarettes, made by Brown & Williamson, are sold in nine states, covering 20 percent of the nation's cigarette-buying population. They have captured 0.6 percent of the market.

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